

AarhusKarlshamn Q 2, 2007

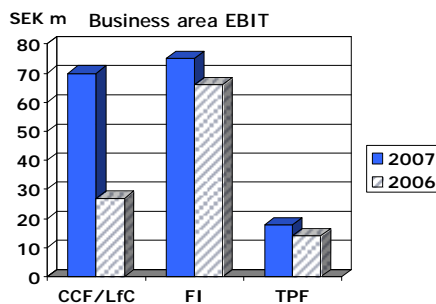
INTERIM REPORT, SECOND QUARTER 2007
HALF-YEAR REPORT AS AT 30 JUNE 2007

- Net sales +14 %, SEK 2,965 million (2,599).
- Operating profit excluding non-recurring items +50 %, SEK 152 million (101).
- Non-recurring items SEK -150 million (-102).
- Result after tax SEK -53 million (-6).
- Earnings per share SEK -1.32 (-0.16)



" Synergies and CBE growth have been the main contributory factors in the improvement in results, while strategic acquisitions and alliances are strengthening the speciality fat strategy", says CEO Jerker Hartwall in a comment to the reports.

OPERATING PROFIT Q 2



KEY FIGURES

SEK million

	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Rolling 12 months
Net sales	2,965	2,599	5,936	5,396	11,469
Gross contribution	726	638	1,463	1,313	2,873
Operating profit excl. non-recurring items and IAS 39	152	101	314	220	549
Non-recurring items	150	102	150	107	-

BUSINESS AREAS – GROSS CONTRIBUTION PER KG

Chocolate & Confectionery Fats

Q 2, +29 %,
SEK 3.36 to 4.32 per kg
Q 1-2, +18 %
SEK 3.56 to 4.20 per kg



Food Ingredients

Q 2, +3 %
SEK 1.62 to 1.67 per kg
Q 1-2, +4 %
SEK 1.56 to 1.63 per kg



Technical Products & Feed

Q 2, -13 %
SEK 0.93 to 0.81 per kg
Q 1-2, -5 %
SEK 0.83 to 0.79 per kg



THE CEO'S COMMENTS

Synergies and CBE growth have been the main contributory factors in the improvement in results, while strategic acquisitions and alliances are strengthening the speciality fat strategy.

Second quarter 2007

As expected, the second quarter showed a continuing clear improvement in results over the preceding year, with synergies and CBE growth being the main contributory factors. Food Ingredients demonstrated stability in the face of fierce competition during a period of sharply rising raw materials prices. Technical Products & Feed is now benefiting from the result of the rationalisation and a higher proportion of speciality fatty acids.

The speciality strategy

Market growth in Cocoa Butter Equivalents (CBE) remains strong. Capacity utilisation for chocolate fats is very high, and our new, significant expansion of capacity will come on stream towards the end of the year.

AAK is the world leader in CBE, which is why the key ingredient, shea, is a particularly crucial factor. To increase the amount of shea, a number of projects are being run to strengthen the logistics chain from West Africa to our factory in Aarhus. Over the next few years, the raw materials supply of shea kernels could constitute a restriction on AAK's expansion in the CBE segment.

Important events

Lantmännen

The consumption of vegetable oils in the energy sector has increased considerably in the recent past. In combination with competitive pressure in the retail sector, this means that all the players in the food industry value chain are under strong price pressure, and the need for innovative and cost-effective solutions is increasing. For this reason, AAK and Lantmännen Energi have signed a letter of intent on a jointly owned company (51/49) with the aim of investing in a new crushing plant for rapeseed to meet the increasing demand and to strengthen our competitiveness.

AAK will use its part of oil from the crushing plant as edible oils for food application while Lantmännen will use its part for Biodiesel application.

The planned investment in the order of SEK 400 million involves a substantial increase in capacity at the Karlshamn plant, which will become by far the largest in the Nordic region.

The adoption of the latest technology will make it one of the most efficient in the world.

Acquisition

With the aim of increasing forward integration and strengthening its market position in the bakery sector, AAK has acquired Croda Food Service from Croda plc. The newly-acquired operation has sales in excess of SEK 230 million and is based in Oldham in Great Britain. It supplies the bakery sector with a range of products and services, as well as a specially-designed delivery system. The acquisition will generate profits in 2007.

Baby food

Within the area of speciality fats for baby foods, AAK has entered into a joint venture (50/50) with Enzymotec, an Israeli development company specialising in advanced lipids (speciality fats) with specific health-promoting effects. The newly-established joint company, "Advanced Lipids", will be responsible for AAK's development of special lipids for baby foods.

As described in the annual report for 2006, it has been decided to expand capacity in Karlshamn for the production of speciality fats for baby foods. The investment will be finished in the beginning of 2008. This will strengthen AAK's world-leading position in this area.

Rationalisation programme

The new rationalisation programme which was announced in the Q1 report involves primarily the Swedish and Danish production units, and will generate an additional SEK 100 million savings on a full year basis by late 2009. In the second quarter, results have been charged with SEK 150 million relating to this programme, of which SEK 50 million will have no impact on cash flow.

The production facility in Aarhus will specialise in the production of speciality fats, with the focus on Cocoa Butter Alternatives. The production plant in Karlshamn will continue to develop as a multi-production unit concentrating on Food Ingredients, Lipids for Care and Technical Products & Feed.

Some production will gradually be switched between Aarhus and Karlshamn. This is a complex process and will not be fully implemented before the end of 2009.

Future prospects for the full year 2007

The Company is expecting a clear improvement in operating profit, primarily due to cost synergies and CBE growth.

AarhusKarlshamn
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Financial overview

Income statement SEK million	Q 2 2007	Q 2 2006	Change %	Q 1-2 2007	Q 1-2 2006	Change %	Full year 2006	Rolling 12 months
Net sales	2,965	2,599	14.1	5,936	5,396	10.0	10,929	11,469
Gross contribution excl. non-recurring items and IAS 39	726	638	13.8	1,463	1,313	11.4	2,723	2,873
Operating profit excl. non-recurring items and IAS 39	152	101	50.5	314	220	42.7	455	549
Operating profit/loss incl. non-recurring items and IAS 39	-36	-2	-	128	124	3.2	342	346
Profit/loss after net financial items	-77	-18	-	51	88	-42.0	268	231
Profit/loss for the period after tax	-53	-6	-	35	60	-41.7	177	152
Thereof shareholders' share	-54	-6	-	32	57	-43.9	171	146
Earnings per share, SEK	-1.32	-0.16	-	0.78	1.40	-44.3	4.18	3.56

Key figures

	Q 2 2007	Q 2 2006	Full year 2006
Number of outstanding shares at close of period ('000)	41,384	41,384	41,384
Thereof own shares ('000)	516	589	539
Return on capital employed, %*	5.8	-	5.9
Return on equity, %*	5.5	-	5.5
Equity per share, SEK	53.52	83.51	56.01
Net debt/equity ratio	1.60	0.54	1.31
Equity/assets ratio, %	29	50	33
Average number of employees	2,500	2,541	2,529

* Rolling 12 month.

Gross contribution**

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Full year 2006
Chocolate & Confectionery Fats	289	222	597	510	1,019
Food Ingredients	365	348	723	679	1,461
Technical Products & Feed	58	50	115	99	202
Group Functions	14	18	28	25	41
Subtotal excluding IAS 39 effects	726	638	1,463	1,313	2,723
IAS 39 effects	-38	-1	-36	11	44
Total the Group	688	637	1,427	1,324	2,767

Operating profit/loss**

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Full year 2006
Chocolate & Confectionery Fats	70	27	167	99	164
Food Ingredients	72	66	127	111	268
Technical Products & Feed	18	14	35	26	53
Group Functions	-8	-6	-15	-16	-30
Subtotal excluding IAS 39 effects	152	101	314	220	455
IAS 39 effects	-38	-1	-36	11	44
Total the Group	114	100	278	231	499

** All amounts are excluding non-recurring items.

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The Group, second quarter

Unless otherwise specified, all amounts on pages 4-7 are excluding IAS 39 effects.

Net sales

The Group's net sales increased by SEK 366 million (14 %) due primarily to the sharp increase in raw material costs. The negative currency effect amounted to SEK 48 million.

Gross contribution

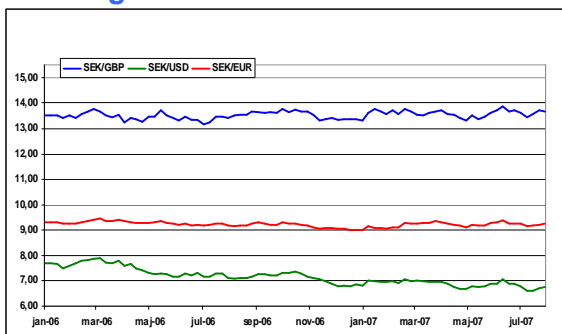
Gross contribution rose by SEK 88 million (14 %), including a negative currency impact of SEK 12 million. Gross contribution per kilo improved, primarily due to the increased proportion of speciality products in Chocolate & Confectionery Fats, and particularly as a consequence of increased CBE-sales.

Operating profit/loss

Operating profit excluding non-recurring items and IAS 39 effects amounted to SEK 152 million (101). The profit includes a negative currency impact of SEK 3 million. During the second quarter, synergy benefits increased by SEK 25 million. The full effect of SEK 175 million will be reached on an annual basis during the fourth quarter 2007.

The operating profit/loss including non-recurring items and IAS 39 amounted to SEK -36 million (-2). The results for the second quarter have been charged with SEK 150 million in respect of the new rationalisation programme, of which SEK 50 million will have no impact upon cash flow. The result includes the effect of IAS 39 (fair value movements in raw materials and currency derivatives) which had a negative impact on results of SEK 38 million. These changes in fair value affect profit/loss but have no cash flow effects.

Exchange-rate trends



Profit after financial items

The Group's profit after financial items amounted to SEK -77 million (-18). Net financial items totalled SEK -41 million (-16), with an increasing interest charge resulting from higher borrowing.

Investments

The Group's investment amounted to SEK 231 million (139), of which direct investments in non-current assets totalled SEK 128 million (102). The largest individual investments during the period were the expansion in CBE capacity in Aarhus, Denmark, and the acquisition of Croda in Great Britain.

Cash flow

Cash flow from operating activities but before investments amounted to SEK -74 million (68). Working capital increased by SEK 144 million, due primarily to stock building of shea for delivery later in the year, and the effect of sharply rising raw materials prices. Cash flow after investments of SEK 231 million was SEK -305 million (-71).

Financial position

The Group's equity as at 30 June 2007 totalled SEK 2,222 million (2,319), and the balance sheet total was SEK 7,546 million. The equity/assets ratio was 29 percent. The Group's net borrowings as at 30 June 2007 amounted to SEK 3,559 million. Unutilised credit facilities granted totalled SEK 786 million.

Acquisitions and disposals

During the second quarter, Croda Food Service in Great Britain was acquired (see page 9).

Personnel

The average number of employees in the Group as at 30 June 2007 was 2,500 (31 December 2006, 2,529).

Group Functions

The activities of the Parent Company are primarily concerned with joint Group items related to the Group's development and administration. In addition to the costs in the Parent Company, Group Functions include the operation in Ceylon Trading. Last year's figures included non-recurring items of SEK 24 million.

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Business area

Chocolate & Confectionery Fats

(including Lipids for Care)

Net sales

Net sales for the business area rose by SEK 55 million (8 %), largely as a consequence of higher CBE sales.

Gross contribution

Gross contribution improved by SEK 68 million (30%) in comparison with the preceding year. This improvement in product mix is due to a significantly higher proportion of CBE, while volumes of other Cocoa Butter Alternatives fell. Gross contribution per kilo improved by 29 percent, from SEK 3.36 to SEK 4.32 per kilo.

Operating profit

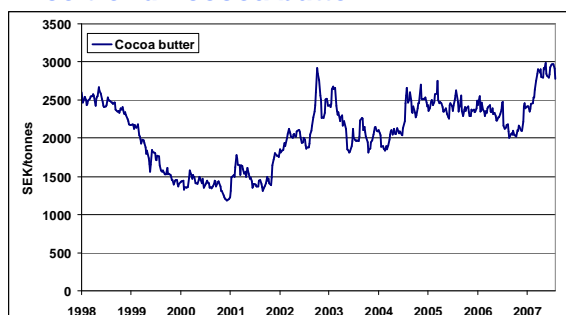
Profit improved by SEK 43 million (160 %), largely as consequence of increased access to the CBE raw material, shea relative to the preceding year. Profits for Lipids for Care are unchanged from the preceding year.

External factors/activities

Growth in the market for Cocoa Butter Equivalents (CBE) is strong. CBE growth will be the single largest driving force in the Group's profit growth over the next few years.

The price diagram below shows that the cocoa butter price - the component which CBE replaces - has increased. CBE prices have also risen due to limited global supply.

Price trend - cocoa butter



Capacity utilisation for our chocolate fats in existing plants is very high. Our new, substantial capacity expansion - the world's largest CBE plant - will come on stream towards the end of the year.

Despite a good supply of the key ingredient, shea, in West Africa, the management of the whole supply chain, from tree to factory, must be improved to meet AAK's demand for raw materials. Despite the fact that the Group obtained a large quantity of shea from the year's harvest, AAK have not obtained the quantity necessary to meet the high demand for CBE.

To increase the availability of shea, a number of projects are being run to strengthen the supply chain from West Africa to our factory in Aarhus.

For the next few years, restricted supplies of shea may constitute a limitation on AAK's growth in the CBE segment. The cost of raw materials procurement is expected to increase.



Chocolate & Confectionery Fats

(including Lipids for Care)

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Rolling 12 months
Net sales	781	726	1,749	1,643	3,457
Gross contribution	290	222	597	510	1,107
Gross contribution per kilo	4.32	3.36	4.20	3.56	3.83
Operating profit excl. non-recurring items	70	27	167	99	232
Operating profit/loss incl. non-recurring items	-25	-45	72	27	
Volumes (thousand tonnes)	67	66	142	143	289

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Business area Food Ingredients

Net sales

Net sales for the business area rose by SEK 265 million (17 %) mainly as a result of increased raw material prices.

Gross contribution

Gross contribution improved by SEK 17 million (5%) to SEK 365 million in comparison with the previous year.

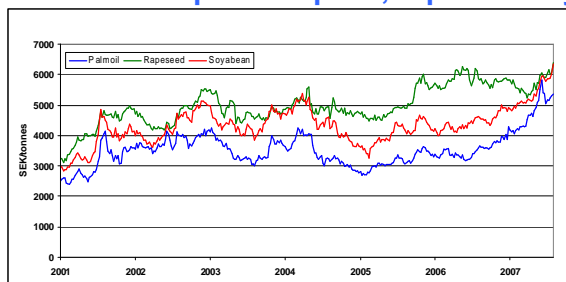
Operating profit

Profit improved by SEK 6 million (9 %), partly due to synergy effects.

External factors/activities

The accelerating consumption of vegetable oils in the energy sector has driven up raw material prices for the Group, and this trend will probably continue. This is leading to further competitive pressure in the retail sector, which means that every player in the food industry value chain is under strong price pressure, and the need for innovative and cost-effective solutions is increasing. Rising palm prices are increasing the amount of working capital tied up in inventories.

Raw material prices – palm, rape and soya



Continental Europe

During the second quarter, capacity utilisation in Continental Europe was high, with increased volumes in both speciality products and relatively basic products.

Strategically, the collaboration announced with Lantmännen will further strengthen AAK's competitiveness. Additionally, during the quarter, a strategic co-operation agreement with the Israeli development company, Enzymotec - was entered with prim purpose of further strengthening speciality fat ingredients for baby foods.

UK

Sales during the quarter rose and the speciality products mix improved. Operating profit increased in comparison with the preceding year.

To strengthen further the Business Area's strategic position in the bakery sector, Croda Food Service was acquired during the second quarter.

USA

Sales and volumes rose. Operating profit continued to improve.

Mexico

Sales, volume and operating profit improved in comparison with the previous year.



Food Ingredients

(SEK million)	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Rolling 12 months
Net sales	1,823	1,558	3,439	3,096	6,520
Gross contribution	365	348	723	679	1,505
Gross contribution per kilo	1.67	1.62	1.63	1.56	1.68
Operating profit excl. non-recurring items	72	66	127	111	283
Operating profit incl. non-recurring items	22	60	77	105	-
Volumes (thousand tonnes)	219	215	444	434	894

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Business area

Technical Products & Feed

Net sales

Net sales for the business area increased by SEK 57 million (24 %) as a result of significantly higher volumes, particularly in the Feed area, along with high capacity utilisation.

Gross contribution

Gross contribution improved by SEK 8 million (16%) to SEK 58 million in comparison with the previous year. This improvement was due both to a 35% increase volumes and high capacity utilisation. During the corresponding period last year, there was a long shut down for maintenance.

Gross contribution per kilo deteriorated due to substantially higher volumes of Feed products with lower margins than the average in the business area.

Operating profit

Profit improved by SEK 4 million (29 %), due largely to high capacity utilisation and improved profits within all units. The business area has shown improved profits over the last four quarters as a result of the rationalisation measures implemented and the higher proportion of speciality fatty acids.

External factors/activities

Rising palm oil prices led to reduced competition from Asia. Measures taken within the EU to increase the proportion of biomass for energy production mean that we continue to face rising raw material prices. The collaboration with Lantmännen will further strengthen AAK's competitiveness.

Within the Feed area, demand for our salmonella-free product, ExPro™, increased as a result of market concerns about salmonella.

Tefac

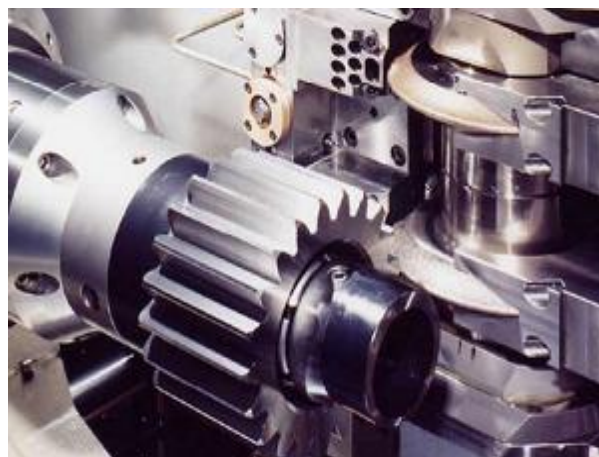
Both sales and volumes have increased. Price rises to offset increasing costs have led to an improvement in operating profit.

Binol

Binol continues to strengthen its position in the Nordic region as the leading supplier of vegetable-based lubricants, especially for the Metal-Working industry. Both sales and volumes have improved. Overall, there has been a substantial improvement in operating profit.

Feed

Sales, volumes and operating profit have all improved. Last year, there was an extended shut down for maintenance.



Technical Products & Feed

(million)	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Rolling 12 months
Net sales	297	240	598	505	1,150
Gross contribution	58	50	115	99	218
Gross contribution per kilo	0.81	0.93	0.79	0.83	0.76
Operating profit excl. non-recurring items	18	14	35	26	62
Operating profit incl. non-recurring items	13	14	30	26	-
Volumes	72	53	146	119	288

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THE FIRST HALF-YEAR

Sales were SEK 5,936 million (5,396), an increase of SEK 540 million (10 %), due mainly to increased raw material prices and growth in the CBE sales.

Gross contribution rose by SEK 150 million (11 %) to SEK 1,463 million. 60 percent of the improvement come from business area Chocolate & Confectionery Fats, primarily from increased CBE volumes.

Gross contribution per kilo grew by 6 percent from SEK 1.89 per kilo to SEK 2.00 per kilo, due to the increased volumes of CBE.

Operating profit excluding non-recurring items and IAS 39 effects, for the period January-June totalled SEK 314 million (220), an increase of SEK 94 million (43 %). Changes in exchange rates since the beginning of the year imposed negative impacted on the results of SEK 11 million.

Net financial income/expense was SEK -77 million (-36), and profit after net financial items amounted to SEK 51 million (88), a reduction of 42 percent. The tax rate was 30 percent, and the profit for the period was SEK 35 million (60). Earnings per share were SEK 0.78 (1.40).

Cash flow from operating activities was SEK 3 million (-31). The Group's investments totalled SEK 344 million (263). After investment, acquisitions and disposals, cash flow was SEK -341 million (-294).

The average number of employees was 2,500 (2,529 on 31 December 2006), which represents a reduction of 29 from the beginning of the year.

IMPORTANT EVENTS

On 21 May, AAK's Board approved a new rationalisation programme which will mainly affect the Swedish and Danish production units. The programme is expected to generate annual rationalisation savings in the region of SEK 100 million annually from the end of 2009. The programme is expected to generate non-recurring costs of SEK 150 million, of which SEK 50 million will not impact upon cash flow.

On 14 June, it was announced that AAK had set up a joint venture with Enzymotec, an Israeli development company, focusing on advanced lipids. The jointly-owned company, "Advanced Lipids", will be responsible for AAK's development of special lipids for baby foods.

Croda Food Service was acquired at the end of the second quarter, see page 9.

RELATED PARTIES

No significant changes have taken place in relations or transactions with related parties since the annual report for 2006.

RISKS AND UNCERTAINTY FACTORS

All business operations involve risk – a controlled approach to risk taking is a prerequisite in maintaining good profitability. Risk may be dependent on events in the outside world and may affect a specific sector or market, and may also be purely company-specific.

At AAK, effective risk management is a continuing process carried on within the framework of operational management which forms a natural part of the day-to-day monitoring of the operation.

External risks

The AAK Group is exposed to fierce competition which characterises the industry, as well as fluctuations in raw material prices which affect capital tied up in the business.

Financial risk

The operations of the AAK Group involve exposure to financial risks, particularly currency and raw material price risks.

Operational risk

The raw materials used in the operation are agricultural products the availability of which may fluctuate on account of climatic and other external factors.

The Group considers that no significant risks or uncertainties have emerged beyond those described in AAK's annual report for 2006.

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ACQUISITIONS

Croda Food Service has sales in excess of SEK 230 million, and 68 employees. The company is based in Oldham in Great Britain. It supplies the bakery sector with a range of products and services, as well as a specially-designed delivery system.

Total fair value of assets and liabilities in the acquired operation, Croda Food Service.

Amount in SEK million	Carrying amount in the acquired operations	Fair value adjustments	Recognized value in the Group
Tangible assets	34	18	52
Inventories	14	-	14
Other receivables	36	-	36
Accounts payable	-19	-	-19
Other liabilities	-5	-	-5
Net identifiable assets	60	18	78
Goodwill	-	-	25
Consideration paid	-	-	103
Cash and cash equivalents acquired	-	-	-
Net cash paid	-	-	103

The acquisition analysis is conditional, and is expected to be confirmed by the end of the year. The acquisition was made on 29 June, and has not affected the results in the second quarter.

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IFRS, with the application of IAS 34, Interim Financial Reporting and the Annual Accounts Act. The accounting policies and assessment policies adopted and the basis for assessment are the same as those used in the most recent annual report.

COMPULSORY REDEMPTION

AarhusKarlshamn AB (publ) currently owns about 98.4 percent of the share capital of the subsidiary AarhusKarlshamn Sweden AB (formerly Karlshamns AB). The minority shareholders in this company own approximately 358,000 shares in total.

The compulsory redemption procedure is expected to be completed during the third quarter of 2007. Through advance access to the minority shareholdings in June 2006, AarhusKarlshamn AB (publ) consolidated all shares in AarhusKarlshamn Sweden AB in the Company's accounts and the consolidated accounts.

REPORTING SCHEDULE

The interim report for the third quarter will be published on 1 November 2007.

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EVENTS AFTER THE BALANCE SHEET DATE

AAK and Lantmännen intend to establish a joint-owned company for rapeseed oil extraction, with an investment of around SEK 400 million.

AAK and Lantmännen Energi have signed a letter of intent on jointly-owned company (51/49) to invest in increased capacity for the extraction of rapeseed oil for the food industry and biodiesel in Karlshamn. The consumption of vegetable oils in the energy sector has increased considerably in the recent past. In combination with competitive pressure in the retail sector, this means that all the players in the food industry value chain are under strong price pressure, and the need for innovative and cost-effective solutions is increasing. For this reason, AAK and Lantmännen Energi have signed a letter of intent with the aim of investing in a new crushing plant for rapeseed to meet the increasing demand.

AAK will use its part of oil from the crushing plant to edible oils for food application while Lantmännen will use its part for Biodiesel application.

The plant will have the capacity to refine the entire annual Swedish rapeseed crop efficiently. The planned investment in the order of SEK 400 million involves a substantial increase in capacity at the Karlshamn plant, which will become by far the largest in the Nordic region. The adoption of the latest technology will make it one of the most efficient in the world. The plant will be located within AAK's facility in Karlshamn, where

Lantmännen's production of biodiesel (RME) is also located.

The joint oil extraction plant is planned to come on stream during the second half of 2009, and is expected to generate profits during late 2009.

THE PARENT COMPANY

The Company's invoiced sales during the first half year were SEK 8 million (0). The result after financial items for the Parent Company amounted to SEK -19 (93) million.

Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets total SEK 267 million (83 as at 31 December 2006). Investments in tangible assets amounted to SEK 0 million (1).

The Parent Company's balance sheet and income statement are shown on page 15.

Accounting policies

AarhusKarlshamn AB is the Parent Company of the AarhusKarlshamn Group. The Company has prepared its financial reports in accordance with the Annual Account Act and the Swedish Financial Accounting Standards Council's recommendation RR32:06, Reporting for Legal Entities, as stated in the Annual Report for 2006.

Changes in the balance sheet

The Parent Company's increased borrowing since the start of the year is substantially attributable to the dividend of SEK 165 million approved by the annual general meeting.

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THE GROUP'S PERFORMANCE

Consolidated income statement

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Rolling 12 months	Full year 2006
Net sales	2,965	2,599	5,936	5,396	11,469	10,929
Other income	10	13	16	18	42	53
Total operating income	2,975	2,612	5,952	5,414	11,511	10,982
Raw materials, consumables and goods for resale	-2,240	-1,933	-4,438	-4,004	-8,495	-8,070
Other external costs	-274	-332	-556	-619	-1,123	-1,186
Cost of remuneration to employees	-364	-273	-612	-515	-1,160	-1,063
Depreciation/amortisation and impairment	-129	-77	-210	-151	-365	-306
Other expenses	-4	1	-8	-1	-22	-15
Total operating expenses	-3,011	2,614	-5,824	-5,290	-11,165	-10,640
Operating profit/loss	-36	-2	128	124	346	342
Interest income	9	3	12	8	19	15
Interest expense	-46	-21	-84	-41	-145	-102
Other financial items	-4	2	-5	-3	11	13
Profit/loss before tax	-77	-18	51	88	231	268
Tax	24	12	-16	-28	-79	-91
Net profit/loss for the year	-53	-6	35	60	152	177
Attributable to minority share	1	0	3	3	6	6
Attributable to Parent Company's shareholders	-54	-6	32	57	146	171
SHARE DATA						
Number of shares, thousand	41,384	41,384	41,384	41,384	-	41,384
Thereof own shares	516	589	516	589	-	539
Earnings per share, SEK*	-1.32	-0.16	0.78	1.40	-	4.18
Equity per share, SEK	53.52	83.51	53.52	83.51	-	56.01
Market value on closing date	170.00	172.00	170.00	172.00	-	201.00

* The calculation of earnings per share is based on a weighted average number of outstanding shares. At present, the Group has no outstanding convertible debentures or outstanding subscription options.

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Summary consolidated balance sheet

SEK million	2007-06-30	2006-06-30	2006-12-31
ASSETS			
Goodwill	616	577	579
Other intangible assets	54	83	59
Tangible assets	2,881	2,705	2,751
Financial assets	161	122	165
Total non-current assets	3,712	3,487	3,554
Inventories	1,798	1,406	1,512
Current receivables	1,920	1,708	1,738
Cash and cash equivalents	116	211	129
Total current assets	3,834	3,325	3,379
TOTAL ASSETS	7,546	6,812	6,933
EQUITY AND LIABILITIES			
Equity	2,187	3,407	2,287
Minority shareholding	35	30	32
Total equity including minority share	2,222	3,437	2,319
Non-current liabilities	3,417	1,601	2,716
Accounts payable	563	472	502
Other current liabilities	1,344	1,302	1,396
Total current liabilities	1,907	1,774	1,898
TOTAL EQUITY AND LIABILITIES	7,546	6,812	6,933

No changes have arisen in contingent liabilities.

Change in the Group's equity

SEK million	Total Equity	Minority	Total share equity incl. minority
Opening equity 2007-01-01	2,287	32	2,319
Disposal of own shares	5	-	5
Translation differences	26	0	26
Dividend paid	-163	-	-163
Profit for the period	32	3	35
Closing equity 2007-06-30	2,187	35	2,222
	Total Equity	Minority	Total share equity incl. minority
Opening equity 2006-01-01	3,504	50	2,319
Purchase of minority AAK Sweden AB	-39	-19	-58
Revaluation hedge instruments	9	-	9
- Tax effect	-3	-	-3
Translation differences	-121	-4	-125
Profit for the period	57	3	60
Closing equity 2006-06-30	3,407	30	3,437

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Summary cash flow statement for the Group

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Full year 2006
Operating activities					
Cash flow from operating activities before change in working capital	70	25	249	198	502
Change in working capital	-144	43	-246	-229	-325
Cash flow from operating activities	-74	68	3	-31	177
Investing activities					
Cash flow from investing activities	-231	-139	-344	-263	-501
Financing activities					
Cash flow from financing activities	282	74	328	304	254
Cash flow for the period	-23	3	-13	10	-70
Cash and cash equivalents at start of period	141	216	129	211	211
Exchange rate difference in cash and cash equivalents	-2	-8	0	-10	-12
Cash and cash equivalents at close of period	116	211	116	211	129

Changes in working capital of SEK -246 million include favourable translation differences of SEK 25 million.

Summary income statement and key figures, January – June 2007

SEK million	Q 2 2007	Q 2 2006	Q 1-2 2007	Q 1-2 2006	Full year 2006
Net sales	2,965	2,599	5,936	5,396	10,929
Gross contribution excl. non-recurring items and IAS 39	726	638	1,463	1,313	2,723
Gross contribution, %	24	25	25	24	25
Operating profit excl. non-recurring items and IAS 39	152	101	314	220	455
Operating margin, %, excl. non-recurring items and IAS 39	5	4	5	4	4
Operating profit/loss incl. non-recurring items excl. IAS 39	2	-1	164	113	298
Operating margin, %, incl. non-recurring items excl. IAS 39	0	neg	3	2	3
Operating profit/loss incl. non-recurring items and IAS 39	-36	-2	128	124	342
Operating margin, %, incl. non-recurring items and IAS 39	neg	neg	2	2	3
Net profit/loss for the period	-53	-6	35	60	177
Attributable to Parent Company's shareholders	-54	-6	32	57	171
Attributable to minority share	1	0	3	3	6
Operating profit before depreciation/amortisation (EBITDA)	93	75	338	275	648
Operating cash flow after investments	-305	-71	-341	-294	-325
Investments	231	139	344	263	501
- thereof acquisitions	103	37	103	37	37
Equity attributable to Parent Company's shareholders	2,187	3,407	2,187	3,407	2,287
Minority share	35	30	35	30	32
Net borrowings	3,559	1,842	3,559	1,842	3,036
Equity/assets ratio, %	29	50	29	50	33
Net debt/equity ratio, multiple	1.60	0.54	1.60	0.54	1,31
Capital employed	6,363	5,710	6,363	5,710	5,830

* The calculation of earnings per share is based on a weighted average number of outstanding shares.

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All amounts on this page exclude IAS 39 effects.

Consolidated income statement

SEK million	2006					2007	
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2
Net sales	2,797	2,599	2,476	3,057	10,929	2,971	2,965
Gross contribution incl. non-recurring items	675	567	663	745	2.650	737	726
Gross contribution excl. non-recurring items	675	638	663	747	2.723	737	726
Operating profit/loss	126	-2	108	110	342	164	-36
Financial items	-20	-16	-22	-16	-74	-36	-41
Profit/loss after financial items	106	-18	86	94	268	128	-77
- thereof fair value movements in raw materials and currency derivatives	12	-1	-9	42	44	2	-38

Gross contribution excl. non-recurring items, business areas

SEK million	2006					2007	
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2
Chocolate & Confectionery Fats	287	222	249	261	1,019	307	289
Food Ingredients	331	348	351	431	1,461	358	365
Technical Products & Feed	50	49	51	52	202	57	58

Operating profit/loss excl. non-recurring items, business areas

SEK million	2006					2007	
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2
Chocolate & Confectionery Fats	72	27	38	27	164	97	70
Food Ingredients	45	66	68	89	268	55	72
Technical Products & Feed	12	14	12	15	53	17	18
Group Functions	-10	-6	9	-23	-30	-7	-8

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SECOND QUARTER 2007
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THE PARENT COMPANY'S PERFORMANCE

The Parent Company's income statement

SEK million	Q 1-2 2007	Q 1-2 2006
Net sales	8	-
Other income	0	0
Total operating income	8	0
Other external costs	-12	-19
Personnel costs	-12	-9
Depreciation/amortisation and impairment	0	0
Other expenses	0	0
Total operating expenses	-24	-28
Operating result	-16	-28
Interest income and similar items	0	126
Interest expense	-3	-5
Profit before tax	-19	93
Tax	-	-
Result for the year	-19	93

Summary balance sheet for the Parent Company

SEK million	2007-06-30	2006-06-30	2006-12-31
ASSETS			
Other intangible assets	0	0	0
Tangible assets	2	0	2
Financial assets	5,838	5,850	5,838
Total non-current assets	5,840	5,850	5,840
Current receivables	88	22	93
Cash and cash equivalents	-	-	-
Total current assets	88	22	93
TOTAL ASSETS	5,928	5,872	5,933
EQUITY AND LIABILITIES			
Equity	4,328	5,666	4,512
Total equity	4,328	5,666	4,512
Non-current liabilities	200	-	-
Accounts payable	2	6	4
Other current liabilities	1,398	200	1,417
Total current liabilities	1,400	206	1,421
TOTAL EQUITY AND LIABILITIES	5,928	5,872	5,933

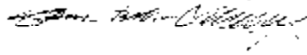
AarhusKarlshamn
SECOND QUARTER 2007
HALF-YEAR REPORT AS AT 30 JUNE 2007

The Board of Directors and the CEO declare that the interim report gives a full and fair view of the operation, position and performance of the Company, and describes the significant risks and uncertainty factors faced by the Company and the Companies which are members of the Group.

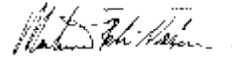
Malmö 15 August 2007



Melker Schörling
Chairman of the Board



Carl Bek-Nielsen
Vice Chairman



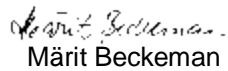
Martin Bek-Nielsen



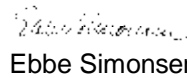
Mikael Ekdahl



John Goodwin



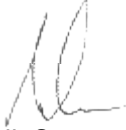
Märit Beckeman



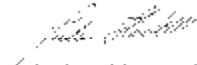
Ebbe Simonsen



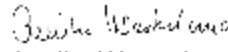
Anders Davidsson



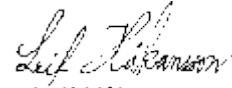
Ulrik Svensson



Jerker Hartwall
President & CEO



Annika Westerlund
Trade union
representative



Leif Håkansson
Trade union
representative

The information is that which AarhusKarlshamn AB (publ) is obliged to publish under the provisions of the Stock Exchange and Clearing Operations Act and/or the Trading in Financial Instruments Act. The information was released to the media for publication on 15 August 2007 8.15 a.m.



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Review Report

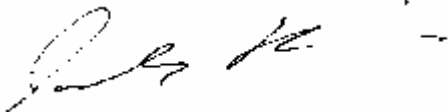
We have reviewed the interim report for the period 1 January 2007 – 30 June 2007 for AarhusKarlshamn AB (publ). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Malmö 15 August 2007

PricewaterhouseCoopers AB



Anders Lundin
Authorised Public Accountant